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### **The Center Abandoned**

NOBODY IS saying that the proposed free-trade deal with Central America and the Dominican Republic will work miracles. Yes, regional free-trade deals boost prosperity much less than global ones. Yes, free trade by itself is not a wonder cure for Central America's poverty. And, yes, the deal could cause some dislocation to workers in the United States, though 80 percent of Central America's exports to the United States are duty-free already. But these legitimate reservations do not change the bottom line: The deal promises important economic and foreign policy advantages. The fact that nearly all Democratic members of the House oppose this bargain -- even the traditionally pro-trade New Democrats have come out in opposition -- is a depressing sign of the party's abandonment of Clintonite centrism.

One attraction of CAFTA, the shorthand by which the Central American Free Trade Agreement is known, is that it rewards staunch U.S. allies, counteracting the anti-American currents in the region fostered by Venezuela's President Hugo Chavez. Leftist populism is on the rise in Bolivia and Ecuador, and pro-American governments such as Mexico's have distanced themselves from the United States over migration and the Iraq war. Central America's governments, on the other hand, have stayed with the United States through the Iraq conflict and have stuck out their necks to promote market-based reforms that would bind their economies more closely with that of the United States. All five presidents of the Central American CAFTA partners and the leader of the Dominican Republic visited the United States recently to underline their eagerness to see CAFTA ratified. If Congress refuses, it will play into the hands of Latin Americans who argue that the United States is an unreliable ally.

CAFTA's economic gains are real, too. A recent study by the University of Michigan estimates that U.S. income would rise by about \$17 billion and Central American income by about \$5 billion. World Bank economists have analyzed the deal and come up with positive conclusions. There's concern that cheap farm exports from the United States could harm less efficient Central American producers. But nearly all families in the region buy more food than they produce, so they would benefit from lower prices. According to the World Bank, only about 9 percent of Nicaraguan households, 16 percent of Guatemalan households and 5 percent of Salvadoran households are net producers of CAFTA-affected commodities and so likely to be less well off. The vast majority would gain from CAFTA's passage.

The Democrats emphasize the fear that trade deals hurt ordinary American workers, even though CAFTA would open Central American markets to U.S. exports more than it would do the opposite, since U.S. markets are mostly open already. They worry loudly about the threat CAFTA poses to Central American labor standards, even though the deal would probably improve enforcement of labor regulations and even though it's hard to see how a deal projected (in the Michigan study) to create 300,000 new jobs in textiles, apparel and shoes could damage Central American workers.

It's not even clear that the Democrats' position is sound politics. Al Gore beat George W. Bush by 65 to 35 percent among Hispanics in 2000; having criticized CAFTA during his campaign, John Kerry won the Hispanic vote by only 55 to 45 percent last year. But whatever the politics of this issue, the Democrats' position is indefensible on the substance.